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PRESIDENT TITO'S STATEMENT

On the occasion of Yugoslav Victory Day, May 15, the President of the Republic Josip Broz Tito gave a statement at the request of Tanjug's Editor-in-Chief, on the most topical international task.

The Editorial Office of the "Review of International Affairs" has decided to give this statement in full for the benefit of its readers because of the significance which it has at this moment when all the progressive forces of the world are mobilized for the preservation of peace demanding that nuclear experiments be suspended immediately. The statement reads:

"Today, twelve years after the conclusion of the Second World War, mankind must be in dread not only of a constant new war danger but also because of the consequences of tests with the atomic and hydrogen weapons of destruction.

I am deeply convinced that because of this constant and growing threat to the existence of mankind, we have cause, more than ever before, to stress as the primary common aim of all the peoples of the world to prevent any new war or aggression. The world must ponder deeply about this, and as it is the question of its future, it must also be extremely alarmed at the armament race which is still going on, and particularly because of the atomic and other weapons of mass annihilation whose destructive power is growing apace. Both past experience and present means of mass destruction clearly show that a new general war would be even more terrible, more all-embracing and more destructive than the last world war and that it might have catastrophic consequences for the whole human kind.

It is a fact, however, that the whole of mankind is even today, in peacetime, directly threatened on account of the consequences of tests with atomic and thermonuclear weapons.

But the great powers which have at their disposal this weapon of mass destruction and which therefore bear the chief responsibility for the state of affairs in this regard, are persisting, unfortunately, in making trial explosions regardless of various protests, especially from those countries whose peoples have already felt the serious consequences of such tests, for instance Japan.

Although there still exist different opinions among experts about the degree of the danger of nuclear explosions, still the view prevails that these experiments have their effect everywhere — on the whole Globe — and many cases of serious diseases among people have been indisputably established as well as the consequences which may biologically affect the future generations. Regardless of the possibility of ascertaining these consequences for sure already today, the fact itself that such threatening consequences cannot be excluded for certain, imperatively deprives anyone of the right to undertake such research which affect and seriously threaten not only the national territory of the countries in question and their own citizens but also the territories and peoples of other countries and continents.

In the face of such a state of affairs, neither the lack of trust among the powers which possess nuclear weapons nor any other reasons can be accepted as a justification for making further tests. With their threatening consequences experimental nuclear explosions have already embraced the whole world, as these consequences do not stop at frontiers between states and take no heed of the political division of the world. Before it might unite them in death and destruction, the world must unite against this danger which is threatening the whole of mankind. For this reason the Yugoslav peoples and the Government, greeting and unreservedly supporting the courageous

action of scientific circles of a number of countries, not only join in the ever more resolute demands that this must be put an end to without delay and that an international solution of that problem must be found, but also appeal to all the Governments, political, social and scientific organizations, to all public workers and all men of good will, in a word, to the whole world public, calling upon them to mobilize themselves without delay and make organized efforts for reaching an urgent positive solution, that is, to ensure the prohibition of nuclear tests, reduction of armaments and settlement by peaceful means of the outstanding international problems".

FRIENDSHIP AND COOPERATION

— ANSWERS OF COMRADE KOČA POPOVIĆ TO QUESTIONS POSED TO HIM
BY "REVIEW OF INTERNATIONAL AFFAIRS" —

At the request of the Editors of the "Review of International Affairs" the State Secretary for Foreign Affairs Koča Popović has given an interview to this Review in connection with his forthcoming visit to Norway. The State Secretary Koča Popović gave the following answers to the questions put to him by the Editorial Staff:

1. How do you appraise, from the view of the long-term peace policy, the direct meetings between official representatives of Norway and Yugoslavia and their significance for bilateral relations and wider international cooperation?

I can say with satisfaction that relations between Yugoslavia and Norway are evolving very favourably. Our two countries are geographically remote from each other, and the elements which characterize their history and their present development differ in many respects. All these factors, however, have not hindered the establishment of a truly sincere and friendly atmosphere in mutual relations. I think one could freely say that the practice of our relations clearly shows the possibilities and the need, which the present world situation is imposing ever more conspicuously, for the establishment of a constructive cooperation between all the countries on the lines of equality and mutual respect. There is no doubt that both Norway and Yugoslavia have made a contribution to the strengthening of peace and friendly relations between nations with all that they showed and achieved so far in their cooperation.

We have always viewed the meetings of official representatives of various countries as one of the very important and today indispensable elements in the efforts for improvement of the international situation. In this world, meetings between official representatives of the two countries, besides constituting a confirmation of the mutual tendency for the further advancement of mutual relations, have also a wider significance.

2. What are, in your opinion, the most significant moments in the development of Yugoslav-Norwegian relations, since the visit of the Foreign Minister Mr. Lange to our country and what do you expect, in this sense, from your visit to Oslo?

Answer:

IN the meantime, since the visit of the Minister of Foreign Affairs Mr. Lange to Yugoslavia, cooperation between the two countries developed further in various fields. A very important manifestation of development of this cooperation was the meeting between high representatives of the Workers Party of Norway and the Socialist Alliance of the Working People of Yugoslavia in Belgrade when questions of mutual interest and of interest for the international workers movement were examined in an atmosphere of respect for the attitudes and views of the other side. I wish to stress also the cooperation between the delegations of the two countries in UNO where similar views were adopted on many important international questions. A significant place is taken also by the manifestation of friendship between the two peoples expressed on the occasion of presentation of the Diploma of Gratitude of the President of the Republic to the Norwegian communities whose members particularly distinguished themselves in extending assistance to our internees during the war. In the same period the diplomatic representations of the two countries were raised to embassy rank.

I expect that the visit which I am repaying with great pleasure to Mr. Lange, will be another incentive for the development of cooperation and understanding between the two friendly countries and nations as well as for the strengthening of peace.

THE EUROPEAN ECONOMIC COMMUNITY

PART II

L. ERVEN

THE European Economic Community was conceived as an economic union of the six member countries which are creating a common economic area. The objective of this organization is to equalize or coordinate the internal conditions of economic development by means of economic integration, remove the barriers and contradictions of the national economies, eliminate their conflicts on the market and create a free field of equal competition; to enable free access to the products of every country on all their markets and unite the efforts towards the development of production and increase of consumption by ensuring the planned utilization of the economic resources and possibilities of every country and by coordinating economic policy.

This economic union represents a form of economic integration which will be manifested in different forms as an economic entity and technical legal organization.

The territories of the six countries of „Little Europe“ constitute a common economic area which will be joined wholly or partially during several phases by Tunisia and Morocco, Algeria and the French „departments“ in Africa and the overseas territories of the member countries.

The basic and principal instrument in the process of economic integration is the common market which will have a direct effect on the unity of the regimen of trade and traffic in a broader sense. However the common raw materials and finished products market, equalized conditions for the circulation of labour and capital, and other joint measures in the creation of the joint market will enable the extension of the process of integration to other fields of economy, — production, especially industrial, transport, finance, labour legislation etc.

The fundamental characteristics of the European Economic Community are as follows:

A joint market for mutual commodity traffic based on the principle of free circulation of goods, capital and labour. A common market which covers the import-export trade between the member countries will thus acquire the character of an internal market of the community.

A common foreign trade regimen with regard to the countries outside the community through which a common foreign trade policy will be achieved.

A common economic policy in those fields of economic and social legislation which have a direct bearing upon the conditions of the common market and equal possibilities of free economic competition.

Joint measures and mutual assistance with a view to overcoming the specific economic difficulties of the individual members or dislocations which may occur in their economy owing to the different internal conditions.

The common funds and other instruments of economic development of the economically under developed areas or individual economic branches as well as the overseas territories of the member countries.

a) THE COMMON MARKET

The common market and common foreign trade system are the basic instruments of the European Economic Community. Opening broad access to industry and other forms of production to the vast common market, from which both production and consumption of the entire Community are supplied under the same conditions it becomes a prime factor of industrial development and general economic progress. Hence also all other economic measures foreseen by the Treaty for the purpose of equalizing the economic and social conditions primarily aim at the creation of equal conditions of trade and free competition. Certain exceptions of a protectionist nature and common assistance in financial service and capital investment for the advancement of the less developed economic areas or industrial branches aim primarily at enabling all partners to compete equally on the market.

The common market is realized by the abolishment of all internal restrictions, such as customs, import and export quotas, preferential tariffs and premiums, restrictions to the flow of labour and capital, protective or discriminatory measures, inequality in the system of fiscal obligations, social welfare, social insurance etc.

Nonetheless several exceptions have also been provided for in the common market system, primarily in the field of agriculture in which the free relationship of producer forces is limited by the fixing of a minimum price for agricultural products and the priority of the member countries to purchase these products. On the other hand, in as far as the general conditions of free competition would have an adverse effect on the balance of payments of the individual member countries, under certain conditions, the respective member is entitled to undertake the appropriate protective measures with a view to eliminating such a situation. Last an exception was foreseen for France, which under given conditions may temporarily retain certain export premiums and import restrictions.

When all measures foreseen for the realization of the Common Market are carried out a unified, homogenous market will be created on which the law free competition under equal conditions will prevail.

Free competition is contemplated within the Free Market concept as a sound principle of economic development. It will certainly, at least at the beginning, enable the elimination of certain weaker industrial enterprises or other non-profitable economic projects in the individual countries which will be elbowed out of the market by free competition. But precisely this aspect of free competition appears as a factor of selection of the producer enterprises thus having a curative effect on the individual economies, by stimulating the efforts to reorganize and modernize obsolete economic organizations and production processes.

However such a conclusion is possible when the economy is contemplated from a broader regional standpoint and when the considerations of national interest in such a

regional economic system are eliminated. The application of such a common market system in which the producer is abandoned to his own resources and the laws of free competition can have serious effects in a country with weaker economic branches not only as regards the development of certain types of production, but also on the social plane, with regard to employment, professional orientation, labour and capital — and may lead in the long run to the exclusive concentration of the individual industries in the countries with the most favourable conditions at the expense of the harmonious development of other countries. Such a process would lead to a lopsided economic development of the individual countries in certain fields of industrial and other production. The Treaty strives to keep such adverse effects in check by the establishment of an investment fund which would foster the development of the individual economic branches in countries with less favourable objective conditions.

b) FOREIGN TRADE

The foreign trade of the members of the Community with other countries will be pursued on the basis of a common import — export tariff which will in principle be equivalent to the average national tariffs. This is a general criterion to which there will be exceptions. This means that foreign imported goods arriving on the internal market or shipped to foreign markets are subject to the same dues or the same system of liberalization. However only a uniform tariff can guarantee full equality of the member countries in import and export trade, as other factors which influence the formation of prices — and the import or export policies of every country are also at play, the Treaty foresees the charting of a common foreign trade policy with regard to the conclusion of trade agreements, coordination of liberalization regimes and export policies. Such a common policy should lead to coordinated activities on the foreign market.

Consequently the foreign trade system of the community with third countries presents a double aspect — one with regard to the members of the community, the other towards third countries. In relation to the members of the Community this system is similar to that of the internal market based on the principle of free and equal competition: in relation to the other countries this system has certain features peculiar to a big export — import cartel.

It is not yet possible to get a precise picture of this relationship of the Community towards third countries which depends on the concrete organization of their foreign policy on the one hand, and as to whether and to what extent a Free European Market will be set up as a broader zone of international economic agreements in Western Europe through which

the relations of the Community towards the Organization for European Economic Cooperation (OEEC) should also be defined. The broader free trade zone was discussed concurrently with the preparation of this Treaty. The broader free market zone should cover all countries, belonging to the OEEC and the European Payments Union in which the members of "Little Europe" are included. The European Market would actually provide a formula for the limited inclusion into the European Economic Community also of the other West European countries for which this system is not wholly acceptable owing to specific economic or other reasons.

c) COMMON ECONOMIC AND SOCIAL POLICY

The normal functioning of the Common Market on the principle of free competition under equal conditions presupposes not only equal conditions on the market but also the equalization of internal conditions under which production of market goods evolves in each country. Although the organization of a Common Market is the immediate objective of this Community, it is not only a trade organization but a general economic union which will bring about the economic development of all member countries and gradually lead to a broader system of integration. Hence the organization of the common market is contemplated as step towards the achievement of such a system of integration, as the basis from which the process of integration will extend to the field of production, transport, financial policy and social legislation.

For this purpose the regulations on the common market and foreign trade with the countries outside of the Community are supplemented by certain general postulates within whose framework a common economic policy will be pursued. This policy covers certain problems of labour legislation, special economic measures relating to the functioning of the Common Market, free activity and domiciling of legal and physical persons on the whole territory of the community, the circulation of labour and capital, transport, financial policy and investments.

The immediate objective of all these measures of common economic policy is the gradual equalization of conditions of free competition on the one hand, and on the other the extension of assistance of the community for the elimination of the social difficulties of the individual members.

In the field of labour legislation the intervention of the Community by way of a common policy is limited only to those questions which bear directly upon the functioning of the common market or free competition, such as the question of men's and women's wages for instance, payment of overtime work, various social grants etc. In other words all that influences the level of production costs in that field.

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In its attitude towards the social legislation of its members, the Community remained a strictly economic organization which is not motivated by social but exclusively economic considerations. Its fundamental desire, as formulated in the provisions on the common policy in the field of labour legislation, is to equalize the conditions under which the economies of her members approach free competition on the market. These conditions are less favourable for countries with progressive social legislation than those less progressive in this respect as the production costs are burdened by larger social grants. France for instance which has a more developed system of social insurance raised such an objection during the preparation of the Treaty. We shall return to this problem which is not only of an economic nature later on.

The Treaty foresees the abolishment of all restriction to the free movement of labour on the territory of the Community. A common employment mediation service will be established for the entire territory. The effect of the free circulation of labour will be largely contingent on the manner in which the common labour mediation service will function both with regard to the distribution of labour as well as the equalization of wage levels. This problem treated from the purely economic aspect of production expenses with the aim of ensuring an adequate flow of labour, regulating of supply and demand and is also invested with significant social effects with which we will deal presently.

The Treaty foresees the establishment of a fund for the technical training of workers and professional re-education. This fund is an instrument of the policy of labour training according to requirements and production trends in the individual countries. The Treaty does not provide for a separate service for the implementation of such a policy but the fund will give the necessary incentive to the member countries to establish such a service by covering half of the expenses involved. This assistance will be extended on the basis of the plan drafted in advance on the organization of this service which should be approved by the European Commission.

The principle of free circulation of labour within the framework of the Common Market was supplemented by the obligation of the member countries to gradually abolish all measures of discrimination based on the criterion of nationality with regard to the employment and domicile of physical and legal persons.

In a similar manner, the Treaty foresees the free circulation of capital with certain reservations as regards the flow of capital of third countries or in case of more serious dislocations on the financial market. An European Investment Bank will be founded with the task of assisting economic development by means of a credit service in the less developed areas and the construction of common industrial projects.

As for transport a system of railway, mainland and marine traffic will be introduced within the framework of a common transport policy while bearing in mind the specific characteristics of the transport service.

Last the Treaty foresees the abolishment of all premiums and other forms of aid, which were extended so far by the member countries to the individual economic branches as well as the prohibition of all types of cartels and other forms of association at the expense of free competition.

d) ORGANIZATION

The European Economic Community modelled after the already existing organizations of international cooperation in Western Europe with slightly stronger integration features, but the basic features of integration were not adopted. Its principal organs are the collective representatives of the individual governments, not the original organs of the organization itself. The supreme executive organ is the Ministers Council of the

member countries which is a representative, not a supranational organ. The European Commission, which is invested with extremely important functions consists of members proposed by the governments and is primarily invested with advisory powers. Both organs are subject to the instructions of their governments. The Assembly of the Community is a consultative body whose members are elected by the national parliaments among themselves. The most important decisions which are of a principled character and refer to the economic system or have a political significance, require the unanimity of the Ministers Council. In certain other cases a simple majority is sufficient as in the case of collegiate deliberation by the organs of the integration system, but here this principle was doubly modified where most important decisions are concerned, — by the unequal number of votes of the members and qualified majority.

The system of full integration is characterized by the hierarchy of the organs and their functional independence in relation to the national governments. They have a supranational character. The system on which this community is organized in substance leads to the integration of its functions, the establishment of a unified economic system, through a common policy of joint measures, but the latter are based on the agreement of governments, and not on the appraisals of organs in the capacity of independent executive bodies which is in point of fact a form of close international cooperation and not integration as a homogenous system, of common interest.

When the community is contemplated as a form of integration, this primarily implies the economic substance, function and policy in economy, and not its organizational forms. In this sense it was also dealt with in this articles as an expression of economic integration. In the European Economic community the system of full integration is a thing of the future, which should be implemented through a longer process marked by the promotion and expansion of the unity of functions and organs which will be both functionally and hierarchically independent of the national governments and to whose decisions within the sphere of integration affairs the national government will be subjected.

However the establishment of the Community is treated as a significant and major stride ahead in this process. In the less immediate future economic integration should provide the material basis of political integration whose definite form would be a federal state. This is of course still a thing of the remote future although it is considered and dealt with as an actual problem in many West European circles and on a broader basis than vouchsafed by Little Europe.

The Ministers Council in which the governments of the member countries are represented is the supreme executive organ. The Council deliberates in the last instance on all problems of the Treaty.

According to the significance of the subject under deliberation the Council decides unanimously by a special (qualified) or simple majority. In cases when qualified majority is required, France, Germany and Italy have four votes each, Belgium and Holland two each, and Luxembourg one.

In principle all other organs including the Economic and Social Committee and the Monetary Committee are auxiliary advisory organs of the Council of Ministers. Only the European Commission may exceptionally bring decisions on certain problems independently. It is generally competent to submit proposals on the application of the treaty to the Ministers Council.

Apart from these organs, the Community has a Consultative Assembly which will be a common body of the Euratom and Coal and Steel Community, and a Court of Justice for disputes among the members arising from the Treaty on the

Community and Euratom as well as a fund for the technical training and professional re-education of workers, and the European Investment Bank.

e) OVERSEAS TERRITORIES

The Treaty on the European Economic Community foresees the inclusion into the Community also of vast territories outside of Little Europe. Their status in the Community has been defined in different manners. Special inclusion into the Community covers three groups of territories: 1) the overseas sovereign states which are associated by special ties with some members of the Community* such as Tunisia and Morocco Algeria and the French overseas departments 3) other overseas territories of the member countries (colonies).

The Community is ready to conclude special agreements on their inclusion into the community with the states belonging to the first group.

The orders relative to customs union competition, employment and domiciling will immediately be applied to Algeria and the overseas departments, while special conditions will be enacted for the application of the other provisions. Apart from this, these territories will be included within the common market and embraced by an investment programme for the acceleration of their economic development. For this purpose a special five year convention will be concluded and a new instrument for the forthcoming period signed after its expiration.

In this five year period, the trade relations of the member countries of the Community and overseas territories will apply

the provisions of the Common Market with regard to the customs rates and quotas, according to the situation which prevails during the respective five year period. The right to free domicile will be applied according to the general provisions of the Treaty. The application of the other provisions is not foreseen.

The most significant measure with regard to the colonies refers to the establishment of a substantial investment fund from which the progressive development of these territories will be financed. The fund for the first five years amounts to almost 600 million dollars (EPU).

France is the most interested in the special provisions on overseas territories as she has the largest possessions of this kind. The greater part of the credit will be spent on the development of the overseas territories.

With the exception of Tunisia and Morocco which will decide by way of a freely concluded agreement as to the manner in which they will join the Community, and define their status and rights, all other overseas territories will be brought within the scope of the economic policy of the European Economic Community and its common market. In view of the degree of their economic development and such a position in this Community they will primarily, at least until the investment programmes are carried out, provide a raw materials source and colonial market for the industrially developed countries of Little Europe.

(to be concluded in next issue)

SOVIET MEMORANDUM ON DISARMAMENT

THE memorandum submitted by the Soviet delegate, Zorin, to the United Nations Disarmament Sub-Committee on April 30 this year, was one of a series of initiatives which the Soviet Union had been taking in the past few months. Although this memorandum is, to a large extent, a summary of the earlier Soviet proposals, made on November 17, 1956 and on March 17, 1957, it contains two new and important initiatives: a proposal for partial and initial agreements in disarmament, and a further elaboration of the proposal for aerial inspection.

The Soviet memorandum is based on the assumption that an agreement on partial measures of disarmament would help to start moving from the present standstill, which would in turn facilitate a wider programme of disarmament. But, unlike the Yugoslav proposal, the Soviets make the measures they propose so interdependent that, in fact, they represent a whole complex of problems.

The memorandum proposes a reduction of conventional armament and armed forces as a first measure that could be agreed upon now. The Soviet Union and the Western Powers agree in principle on the reduction of armed forces — to 2,500,000 men by the Soviet Union and the United States, and to 750,000 men by Great Britain and France. The Soviet Union approves this level of armed forces, but only for the first stage of disarmament. It is ready to conclude an agreement on this matter on condition that in the second stage of disarmament the Soviet Union and the United States reduce their armed forces to 1,500,000 and Great Britain and France to 650,000 men. Apart from this, the Soviet proposal allows China to maintain armed forces in the same strength as the Soviet Union and the United States. The Soviet Union explains this demand for a further reduction of armed forces by the situation on its own frontiers and on the frontiers of the United States. While the Soviet Union is surrounded by the member states of the NATO, SEATO and Baghdad Pacts, the United States is not threatened on its frontiers at all. Accordingly, if only the initial reduction of armed forces is agreed upon, the United States would be able to maintain large con-

tingents abroad, whereby the Soviet Union would consider itself endangered.

As far as military expenditures are concerned, the Soviet Union proposes that in the first stage of disarmament they should be decreased by 15%, while the United States is satisfied with a reduction of only 10%. Moreover, the Soviet Union proposes that further cuts in defence expenditures should be consequently considered.

The Soviet Union proposes a special organ within the Security Council to control the implementation of these measures. During the initial reduction of the armed forces and defence expenditures, the function of this organ would be to demand and study reports from individual countries on the implementation of agreed measures. In the first stage of disarmament control posts would be established at large ports, railway junctions and main roads. The task of the proposed control organ would be to watch whether large concentrations of arms and armed forces are taking place at such communication points. Control posts would be established only in the western parts of the Soviet Union, in France and Great Britain, in the eastern parts of the United States, and in the territories of the member states of North Atlantic and Warsaw Pacts. After that, additional agreements on the expansion of these control posts would be negotiated later on, i. e. in the second stage of disarmament. Apart from this, inspection at airfields is conditioned by a prior agreement on the prohibition of atomic and hydrogen weapons, on their exclusion from the equipment of national armies. This, considered realistically, retards the establishing of this kind of control, so that it is not even contemplated for the first stage of disarmament.

In the question of control, the Soviet Union and the Western Powers differ considerably. The Soviet proposal, for instance, does not say anything about the nomination of inspectors who would control partial disarmament although this is one of the chief demands of the Western Powers. The Soviet proposal treats aerial inspection separately.

All the proposed initial measures in disarmament are conditional by a prior agreement on the stopping of nuclear test explosions and by the signing of a declaration condemning the use of weapons.

The stopping of nuclear test explosions is given top priority first stage of disarmament. The Soviet proposal considers the very important and demands its solution "without delay". According to reports, the Soviet Union is insisting categorically on stopping of test explosions, and rejects everything short of this. It does not accept either the proposal for the registration and control

PERSONALITIES AND POLITICS

A Moral and Political Imperative

A distinguished French expert on problems belonging to the vicious circle of armament and disarmament, summed up the dramatic dilemma — atoms for war or atoms for peace — in the following impressive manner.

The destructive power of a conventional air bomb was equivalent to one ton of TNT (destroys life on an area measured in square meters); the Hiroshima atom bomb was equivalent to 20,000 tons of TNT (its destructive power is calculated in terms of square kilometers); the modern thermonuclear bomb has the equivalent of twenty million tons of TNT (its destructive power surpasses thousands of square kilometers).

Annual consumption of hardcoal in the world totals 2.5 billion tons; in order to raise the standard of living on all geographical latitudes to the present US level this figure would be increased sixfold (this being impossible in practice in view of the existing financial and other resources and reserves available). However one ton of blended thorium and natural uranium is equivalent to eight million tons of hardcoal: three thousand tons of this mixture would substitute present two and a half billion tons of hardcoal and the old increase of this power potential would no longer be practically impossible.

It seems that there should not be any dilemma, but despite of the drastic facts and common sense it confronts man and Mankind more acutely than ever, not as a Platonic formula but as Hamlet's motto: — to be or not to be — for people living on this planet. The flexible proposals and cautious counterproposals in Lancaster House and the quite genuine possibilities of gradual disarmament warrant the hope that common sense will prevail in the end while the reports of the nuclear tests on the Christmas Islands on the Pacific, the measureless Siberian plains, and vast deserts of Nevada create a harsh dissonant note and give rise to uncertainty whose effects are all too cruelly certain.

And while hydrometeorological and other scientific institutes cautiously publish reports that radioactive fall-out which was until recently "localised" over the Pacific was dispersed over Berlin, Paris, and Oslo as a threat and pale imitation of the fatal effects of Gamma-radiation on human life, the protests against nuclear test explosions are increasing in number. The official action of the Japanese government which was expressed in the statement of Premier Arai and the Matsushita mission to London and New York is supported by the kindred views of Nehru and President Saranaike of Ceylon who are intimating a "Bandung" activity in this sense. The voice of public opinion ignores biological and geographical barriers: the Democrat leader Stevenson and Labour leader Bevan, the French scientist Curie and Nobel Peace Prize winner Dr. Albert Weizsäcker, the scientists of the nuclear institute "Max Planck" in Göttingen — statesmen, politicians, scientists from all parts of the world have raised their voices in warning that it is time to stop, lest the verge of disaster be reached.

This is not only voice of human conscience, and of humanist solidarity. This is not the voice crying in the desert, of a moral attitude of people who close their eyes when confronted by the political and military antagonisms in the world of today. This is also a categorical political imperative the cessation of nuclear explosions would create a more suitable atmosphere for the initial measures in disarmament and thus contribute to the negation of the fatal dilemma which casts so ominous a shadow over this planet.

of the tests, or any other proposal for their limitation. It however agrees to conclude an agreement on a temporary cessation of these tests as a preliminary measure which ought to lead to the prohibition of the weapons altogether. This attitude is explained by the view that any measure short of stopping the tests would mislead the public and distract its attention from the real danger.

Another condition for partial agreements on disarmament is that the use of nuclear weapons should be renounced. It is proposed that this should be done in a joint declaration (a step towards a complete prohibition of the weapons) under which the signatory governments would undertake not to use for military purposes any type of nuclear weapons, including rockets with atomic warheads, atomic artillery and so on.

Apart from this, the Soviet proposal for a partial reduction of conventional armaments is made dependent on two other conditions which the West has not accepted: that China, too, should be included in disarmament agreements, and that the first stage of disarmament should be immediately followed by the second.

The Soviet proposal for aerial inspection attracted great attention and gave rise to extensive comments. It must be mentioned here that this is not the first time that the Soviet Union accepts aerial inspection in principle. Certain, though not clear elements of principled concurrence with Eisenhower's plan for aerial inspection were to be detected in the Soviet proposal submitted to the Disarmament Sub-Committee in London in 1956. However, on November 17 the Soviet Union approached the problem in a more definite way, proposing inspection in a restricted area extending 800 kilometres on both sides of the demarcation line in Germany. The Soviet memorandum of April 30 was an important step further in this matter. The Soviet Union then proposed, for the first time, aerial inspection over certain parts of its own territory, both in the west and in the Far East. As revealed by the memorandum, the Sub-Committee had already discussed the width of this zone. The United States asks that the centre of the zone should be further east, coinciding with the northern border of Czechoslovakia, while the Soviet Union maintains that it should coincide with the demarcation line in Germany, which is much further west.

Extensive discussions were aroused by the Soviet proposal on the zones of aerial inspection — covering about 7 million square kilometres which, apart from the eastern parts of the Soviet Union and Alaska, would include also the western coast of the United States. The Western Powers object to this proposal, saying that the zones proposed equalize the militarily important western coast of the United States with the barren parts of the Soviet Union. But, without making any comparisons of the importance of the areas in question, the Soviet proposal is a significant step which has a practical value since it can provide a basis for negotiations and possible agreements on the disputed areas for aerial inspection.

The Soviet memorandum also renews a number of earlier proposals. Here we must mention, first of all, the proposal that bases on foreign territories should be abolished, that an agreement on the matter should be concluded immediately so that certain bases could be liquidated within a year or two at the most. The Soviets again propose a reduction of the military forces in Germany by one third, and seek negotiations for the reduction of the armed forces of the great powers now stationed in the territories of the member states of the North Atlantic and Warsaw Pacts.

A complete prohibition of nuclear weapons, their exclusion from the equipment of national armies, the stopping of their production and the destruction of all existing stockpiles, is proposed by the Soviet Union as a matter to be dealt with by a special agreement, so that all this is left aside from the proposed partial and initial measures in disarmament.

A separate section of the Soviet memorandum is devoted to the need for all countries to respect the 1947 resolution of the General Assembly which prohibits war propaganda and which calls upon member states to enact laws to suppress such propaganda. Similar provisions are included also in the given draft declaration by which the signatory states would undertake not to use nuclear weapons.

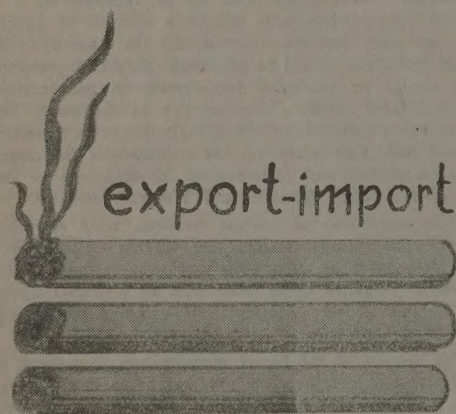
Taken together, the Soviet proposals are a positive effort and initiative in the disarmament talks. There is no doubt that these proposals narrow the field of disagreements so that it can be expected that, by practical talks and careful exploitation of all points of contact, they will help to find ways and means of achieving some — even partial — progress in disarmament.

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AWAKENED ARABS

Zdravko PEČAR

THE recent events in Amman have strongly moved to the forefront and placed on the agenda of the Middle-East, inter-Arab and world relations — the following questions: who won in Jordan and what effect will the latest turning in the life of the little kingdom have on the future fate of these areas and interests of those great powers which have crossed the cold war swords over these parts?

It is interesting that despite well-known April developments no one is in a position to give a more or less definite opinion on whether the battle for Jordan, or at least the first round of it, has been fully won.

Analyzing the present situation in Jordan, the British periodical „The Economist” says in its issue of May 4: „King Hussein has destroyed or imprisoned the leaders of the extreme nationalist and left-wing parties of Jordan and, with the help of those loyal elements in his army whom Sir John Glubb rallied from the desert with so much care again set up the feebly veiled autocratic rule. Democracy, established in the free October

elections, has been abandoned as the people's will in the person of leaders elected by the people was too self-willed. In brief, the young ruler resumed the path of his grandfather King Abdullah, who looked upon the people as children who should be benevolently guided or, if necessary, beaten for their excesses”.

Aware that the national consciousness of the Jordanians has greatly risen during the last few years — the Jordanians who are already far from being only good or bad children, the same periodical expresses concern, not unwarrantably, at the present policy of the former obedient Cambridge student King Hussein, and says:

„Turning his back on Egypt, Hussein came in conflict with the powerful public opinion of Jordan. It is too early to say that the crisis has been overcome”.

This statement precisely, it seems to us, contains that serious part of the truth on the present situation in that country and generally in the Middle East. The peoples in these areas have resolutely crossed the threshold of their political childhood and become mature nations, which cannot and will not permit anybody to treat them as under-age children. Until recently many factors were able to do certain things here with impunity, freely and with much prospect of success.

This people (the Arab renaissance looks upon Arabs from Marakesh to Bahrein as a single nation) can hardly understand for example, that it is possible to call Nasser's regime a „totalitarian and fascist” rule and at the same time carry out a counter-attack in Jordan, which means liquidation of democracy, born in last year's October free elections, the first such elections in the short history of Jordan — all this in the name of democracy, Western parliamentarism and defence of the country from „communist infiltration” under the protection of „flying marines” of the Sixth American Fleet from the Lebanese waters.

Such policy, arrogantly pursued on the principle „quod licet...” could have been realized in these areas until recently. Now it has become an anachronism of our time and the present Middle East development. Herein precisely lay the answer to the question why many people cannot understand the present movements in this area. This area, however, has grasped too well during the last few years that the clothes made for it by those who considered it their inviolable domain and its people children who have not yet reached their adolescence — that these clothes are too tight for it.

It is a fact that the present Jordanian Government, its young Sovereign and politicians who are at the helm of the shaken Jordanian ship of state are persistently emphasizing their adherence to the Arab manifesto of

independence adopted at the February meeting in Cairo, a manifesto which „rejects imperialism and foreign factors” and proclaims devotion to the struggle for the ideal of Arab unity. The Foreign Minister Samir El Rifai, the experienced politician from the time of the old autocrat-King Abdullah and his British friends, still emphasizes, a full month after the April turning point in Amman, that Jordan does not renounce the policy of Arab liberation and that it will not join the Baghdad Pact. All this shows clearly that the present Jordanian rulers are deeply conscious that a terrible storm would break out above the Jordanian Dead Sea the moment they turned their brittle little ship in the direction which does not suit its structure, nor the orientation of the pre-April navigation. They know that at that moment the helm would be struck out of their hands.

What is to be wondered at is the rigid and uncreative schematization with which some Western powers, and lately the USA too, are trying to disentangle the knot of events in this area. One of these schemes is certainly that old of General Nuri Said Pasha and his British friends: the salutary Fruitful Crescent which should solve all the current problems.

It is characteristic that the realization of the Fruitful Crescent Plan is hardly mentioned among the Arabs today on account of its extreme unpopularity. At the same time, however, an action is under way, directed at the realization of that scheme concerning the unity of Iraq, Jordan and Syria, and later Lebanon as well. This, in the view of some politicians is all the more topical as the Arab Renaissance has become so powerful that, for example in Syria, it is heading toward ever greater affirmation of a completely independent and sovereign policy of this Republic which has fully shaken off the influences and domination of foreigners. When a similar development was to be brought about also in Jordan which broke off the Anglo-Jordanian agreement in March under the leadership of Nabulsi's cabinet, the patience was at an end. The concepts that an urgent intervention is necessary and that it should be put into effect even at the risk of breaking up the Jordanian state, have gained the upper hand in Iraq and among Arab politicians of the British school. They consider that it is better to divide the Jordanian state and cede its western part to Israel, if this is to be a price for the liquidation of parliamentarism which has led to the affirmation of the truly national and independent policy of this country. This would be followed by a pressure on Syria, so that destruction of independence of this sovereign Republic would result one day in the establishment of the Hashemite Kingdom of the Fruitful Crescent.

The Arab Middle East is again in a great ferment. If Jordan were to lose its



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independence and take the path of the „classical and traditional“ political orientation of its Royalty, this would mean an incalculable loss for Egypt and Syria.

The Baghdad Pact, which in its linking with Arabs suffered a complete failure, recently received new injections. The USA has joined its Military Committee and, although not formally entering this organization, became its motive force. The winning of Jordan for the Baghdad Pact would mean perhaps a decisive success for the organizers of this alliance, so that means to this end are not being chosen too scrupulously.

What has been strongly helping the independent policy of Damascus which is the nearest to that centre which is new Middle East perturbations, are certainly the agitated masses of Jordan. Nine years ago, that country was a little backward Bedouin state with a population of 600,000 scattered inhabitants

among whom Pík Pasha and John Baggot Glub recruited a faithful mercenary army. After the Palestinian War, 900,000 Arabs from the western shore of Jordan including half a million refugees, became full-fledged citizens of the Jordanian state. This element, which is perhaps the most progressive and politically the most developed in the Arab world, radically changed the political structure of the Jordanian state life. A change in quality had set in — a change which was certainly decisive in the new orientation of Jordan.

Until recently completely isolated from other Arabs, Baghdad persists in its attempts to approach them for the account of the coalition which it represents. For instance, it renounces its old Hashemite claims for the Vahabite throne at Rhiad. It gives a magnificent welcome to the Saudi ruler in order to convince him of its friendship. The Hashemite

kinsmen promise King Hussein full and best future for the Royal house which is faced in Amman with hostility and republican demands. Other methods are on the agenda in Syria: aid, internal conspiracies and disorder as strong pressure on the frontiers both of part of Iraq and the northern neighbour partner from the Baghdad Pact.

Egypt and Syria, the upholders of the independent, republican and sovereign of the Arab world are faced today numerous problems and temptations. Its greatest ally is certainly the awakened masses which see their only way out impasse in the Arab Renaissance. The of the Middle East resolutely demand emancipation for them and for their communities.



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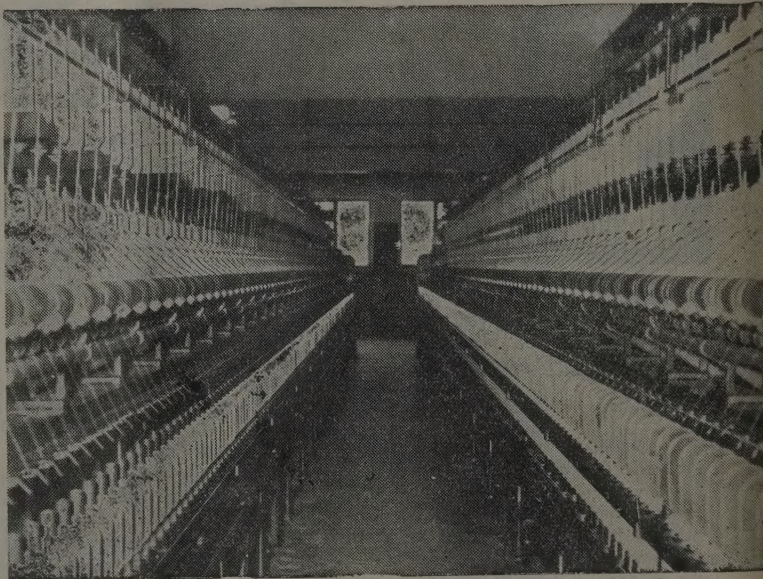
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Conclusions of North Atlantic Council

THE North Atlantic Council met in Bonn at the beginning of this month in a more tranquil atmosphere than in December last year, when it sat in Paris. This fact, however, had no effect on the conclusions of the Bonn meeting: the manner in which the Ministers of fifteen countries discussed the international situation did not differ, either in spirit or intentions, from that of December 1956, when the crises in Egypt and Hungary dictated the tone of discussions and influenced the appraisals made. The political conclusions of the Bonn meeting were so formulated as if nothing had happened in the meantime. If there are any differences, they are to be found in the aims.

The Paris meeting of the Council took place in an atmosphere of fundamental disagreements between its member states caused by the arbitrary Anglo-French action in the Suez canal zone and by its effects on the economic organism of the West. The aim of that meeting, accordingly, was to overcome, by a joint effort, the then profound crisis within the alliance and to restore Atlantic solidarity. That no particular success was achieved in this even after six months was shown by the Bonn meeting which left many problems of the Atlantic policy unsettled and many cracks in its surface unrepaired.

Naturally, the official communique does not create such an impression: it was drawn up under the influence of world developments: the Soviet activity in the field of disarmament and the election campaign in Western Germany where the Social-Democratic Opposition is against Adenauer's Atlantic policy. These two trends influenced the Bonn meeting, the intention of which, one can say, was, first to formulate a unique policy towards the Soviet „offensive of goodwill”, and, second, to impress the Germans by the unreserved support of the 15 NATO member countries to the political programme with which Chancellor Adenauer is to fight the elections in September.

The conclusions: these reflect NATO's attitude towards current world problems. The Ministers discussed the Soviet policy in Europe and in the Middle East, as well as the atomic aspects of Western defences. The conclusions on these matters were formulated in nine points, the following of which are particularly interesting for the assessment of NATO's attitude.

1) NATO's entire policy is based on the view that the danger of aggressions still exists, due to which the member-states must remain united.

2) The policy of the Soviet Union was appraised, in general lines, as a manoeuvre to mislead Western public opinion and insure a Soviet monopoly of nuclear armaments on the continent of Europe.

3) The NATO member states must be equipped with up-to-date nuclear weapons.

4) The Middle East: although the threat to peace in the area is still great, certain new elements give promise of limiting the possibility of „communist expansion”.

5) Soviet policy is responsible for the continued division of Germany, in this respect it was decided to go on exerting efforts to induce the Soviet Union to agree that Germany should be reunited by means of free elections.

6) The events in Hungary were reviewed so as to launch a new and excessive attack on Soviet policy.

As is seen, the picture of the complex international problems was quite simplified, and its analysis restricted by the bloc philosophy which is inclined to present things in a quite distorted form. All problems in Europe are reduced to „threats” from the Soviet Union, and in the Middle East to the alleged danger of „communist subversion”. Considering contemporary developments through such a prism, the Council could not do anything else but what it did — to contribute to the sharpening of relations between East and West, to separate the two sides from their points of contact, and to emphasize the ideological and anti-communist elements of Atlantic policy. Perhaps no previous meeting of the Council was so fruitful in accusations against the Soviet Union.

Four realities: these were the views which gave the political tone to the Council's discussions and its conclusions. They were given by Chancellor Adenauer in the opening address. As a pivot around which the whole analysis of the European situation revolved, these „four realities of our time” deserve to be mentioned in order as given by the Chancellor.

First, the Soviet armed forces have been a latent danger to peace ever since the end of the war; second, the Soviet Union intends to establish communist domination in the world; third, the Soviet policy is a policy of imperialist conquests of territories; fourth, NATO has stopped the Soviet expansion and so secured peace in the West. Further, it was asserted that the Soviet Union prevents the reunification of Germany and the conclusion of an agreement on disarmament.

It was in accord with these views that the Atlantic Council considered European problems and drew up its conclusions. Bonn is the seat of a government which has so far displayed a high degree of loyalty to the Atlantic policy, but this fact, it seems, was not of a decisive importance for the acceptance of the Chancellor's views. The forthcoming elections in Germany were not the sole reason for the strengthening of Germany's role within NATO either, although the Council evidently passed over many disagreements in regard to nuclear armament so as to give the greatest possible pre-election support to Adenauer's policy.

The general impression is that the Bonn meeting of the North Atlantic Council revealed a new shift in the leadership of NATO. This leadership, which earlier rested on the U.S.A., Britain, France triangle, is now being placed on the American German basis. This trend was noticed in American policy immediately after the failure of the European Defence Community plan, and it gained in strength as the interest of Britain and France in the participation in West European military arrangements decreased. After having been disappointed by these two countries, American policy sought a firmer support from Bonn, the road of establishing direct links with Western Germany led first to the inclusion of the Federal Republic in NATO, to its remilitarization and now to the principled agreement that the German army should be supplied with nuclear weapons.

Reality and smoke screens: from this point of view, the conclusions of the North Atlantic Pact cannot be taken to be based on a realistic appraisal of international problems. Objective developments after the war have not been such as to allow so simple an analysis of causes and effects, nor is the

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present situation so bad to justify any sharpening of international relations. Emphasis on mistrust does not lead to conciliation, just as accusations do not create conditions for understanding. The policy which does not take into account the real possibilities and needs in the world is a bad policy.

Let us, for instance, take the German problem. The Council did nothing to facilitate its solution. Naturally, this does not exclusively depend on it, but the manner and spirit in which it considered the problem almost bar every approach to wellmeaning talks. Is it possible to talk about the unification of Germany without mentioning the problem of general European security at all?

The right to defence cannot be disputed, but the supplying of nuclear weapons to member states at present is in contradiction to the efforts which the United Nations is exerting to make some progress in disarmament. This is all the more regrettable because the decision to supply the armies of member-states with nuclear weapons is proclaimed at the time when there are changes that the negotiators in London may conclude some initial agreements on disarmament which, as the world public expects, would clear up the cloudy horizons. Humanity wants nuclear energy to be used for other purposes and not for any diplomatic pressures or general destruction.

The analysis of the situation in the Middle East is a simple example of fogging the reality. The problems in that area are primarily economic and social in character, and the „danger of communist expansion“ is a mere smoke screen which is to justify definite political pretensions as expressed in "certain new elements" on which the Council pins its hopes — the Eisenhower doctrine, the action of the Court in Jordan, and the problematic manoeuvres with the Lebanon, Iraq and Saudi Arabia.

That the Middle East and its problems do not fall within the competence of NATO is another questions. The active interest of this organization in Middle Eastern affairs can, accordingly, bring its very character in question. The same criticism could be voiced in relation to the Council's discussion of the Hungarian events, particularly in relation to the way in which they were interpreted.

The Bonn meeting of the Council stopped a positive process which had began to develop within NATO last year — the process of developing cooperation in non-military fields. Such cooperation was not mentioned in Bonn; it was sacrificed so as to emphasize more strongly the military character of the alliance. It is certain that the public in its member-states will not think that the disregard of non-military cooperation is a good thing, that the sharpened attitude towards the East is a realistic necessity. Both these things are pregnant with dangers, not only for general development in the world, but also for the future of NATO itself, the more so since its unity, patched up in Bonn, is affected by the pressure of internal differences and conflicting interest in a number of problems, such as those of Cyprus, Germany, the Middle East, defence, integration, etc.

Experience of our times shows that the contemporary policy of peace cannot be developed by broadening ideological differences or by emphasizing mistrust, but by seeking patiently new points of contact and by promoting common interest which is so evident and general that the dilemma: war or peace, discord or understanding, must be solved in favour of the latter. The matter is too serious to allow any indecision in the choice; what is involved is not the fate of this or that country, but, in the final resort, the fate of the human race. Therefore, the value of the policy of so large an organization as NATO cannot be measured by the striking power of its armament; moral qualities are by far more important.

N.O.

MACMILLAN IN BONN

NEARLY twenty years have elapsed since the capitulating, illusory visits of Sir Neville Chamberlain to Germany. And again a British Premier goes for an official visit to that country. Although the past is not a jar of ashes, as a poet and not a politician has said, still history did not figure more definitely in the Bonn talks which as a whole were taken up with the topicalities of this political moment, surely because much water has in the meantime flown both down the Rhine and Thames — in the same western direction.

It is true, however, that Macmillan did not go to Bonn only for a week-end; there existed more serious (and unpleasant) reasons which made him visit Western Germany. Macmillan himself defined these reasons as — the need for a clarification of certain British attitudes and elimination of certain suspicions and fears on both sides. So, the basic motive for the Macmillan-Adenauer meeting was political worries but those which usually occur in the family circle. This does not mean that they are small and easily removable all the more so as they affect the most important strategic-political and political-economic questions. This transpired also at the close of the Bonn talks: the views were drawn slozier, doubtst have probably been reduced but the differences for the most part remain.

The first theme was the problems of defence. The common denominator of strategy for both countries is the Atlantic Pact, but the positions of Bonn and London are not adequate. Western Germany, a European power, seeks and has outside of Europe only allies and markets: for it, the question of security is solely the question of European security. Great Britain has now a wider political and state diapason and is not engaged in Europe alone: regardless of intentions of modern development, or despite it, it is interested for the consolidation of its positions in various parts of the world. Hence Adenauer's thesis that the realization of the plan on the withdrawal of an important part of the British forces from Western Germany will weaken the "Atlantic Shield" in Europe, has come up against the Macmillan concept that the British responsibilities are far broader and that this question again cannot be treated outside the framework of general strategic preoccupations of Great Britain which are today in the midst of general atomic re-arming of its army. Arguments of German military planners (that the plain in northern Germany is ideal for mass tank attacks and that the reduction of British troops by 30,000 men of tactical air forces to nearly one half, is considerably weakening the Atlantic forces, Macmillan countered with the assertion that four British divisions which will remain in the Rhine valley will have an even greater attacking strength — thanks to atomic guided missiles. Although they have not succeeded in

blocking the British decision, the Germans were successful in that it is to be examined once more in the light of the reports of General Norstedt about the NATO needs in men: but all in all, it might be said rather that the British Premier emerged as a victor from the Bonn duel on questions of defence.

The other theme referred to the question of European integration. On this plane the British fears are greater, while German arguments are stronger. Adenauer quickly became one of the champions of European integration (although his sceptical Minister of Economy Erhardt considers that it is "economic nonsense") in which he not only discovers chances for the further German reaffirmation, but also sees political capital which is very highly quoted in Washington. Macmillan, with much less enthusiasm, accepts its good sides but finds also those which might threaten British economic (and political?) interests, in view of the fact that integrated Little Europe would nonetheless constitute a relatively closed area. The compromise which has been reached is such that the Germans can be satisfied with it: the first phase is to see a rapid ratification of the Rome agreements, the second has in store negotiations on the free trade zone, the third is (only) to see the placing on the agenda of the "great plan" on the merging of European organisms and their transformation into a European Parliament (an ambitious idea of Great Britain). As it was considered in Germany that the British "great plan" is close to the sabotaging of the Rome agreements, it is clear that Adenauer profited more from supporting the Rome agreements than Macmillan from guarantees in connection with the free zone.

The third theme embraced the problem of German unification. Past years have shown very adequately that it cannot be exhausted nor solved in bilateral contacts. The fact that it nonetheless always cropped up in the talks between Western Allies, can be explained with political and propaganda needs rather than with serious expectations that the problem of German unification would be moved toward its solution by even a iota. However, this time all was not reduced to solemn declarations and wishes: this is not an impression from the communique but a fact cited by Macmillan (which also has a definite significance). Namely a lot was said in Bonn, on the initiative of the British Premier, about the so-called Eden Plan for German unification and establishment of European security. The first variant of this plan envisages three stages in the settlement of the German problem: the first would see the unification of Germany on the basis of free elections, in the second a united German Government would define its political course and if it decided for the West and NATO, a third phase would follow in which a European Security pact would be concluded to be joined

by Germany too. Acceptable for Adenauer in a certain measure, this plan causes Bonn a headache in so far as it does not say what frontier area would enter into the "thinned" demilitarized zone which he envisages in the framework of the European Security Pact — the Oder-Neisse, or the frontier which figures on the pre-war maps? If this plan, which is considered realistic, is so at least to a certain extent, than it surely starts from the Oder and Neisse: there precisely it becomes a „bitter pill“ for Adenauer who does not abandon the thesis that the areas above the Oder and Neisse should be joined to united Germany — true, by „peaceful means“.

The second variant of the Eden plan, which leaves aside the problem of unification and bears in mind only the creation of demilitarized zones, sounds in Bonn only as a prolongation of the division of Germany and is taken as a direct negation of the Chancellor's efforts in the direction of strengthening the military force of the Federal Republic. Just for this reason, the revival of the discussions on the Eden plans was not particularly pleasing to the Germans, and it might be said that in this phase the Bonn talks left more differences than they found at the beginning. The question is: why London found it expedient to fish out of the archives the ideas of the former Premier, just at this moment. The answer could not be quite emphatic: perhaps the present Prime Minister wishes to get a freer hand towards the USSR, to secure an area for manoeuvring in his role of an arbitrator, which might be the most convenient for him both in the complex of European questions and in the world affairs generally.

The objective significance of the themes which were treated at the Bonn meeting is doubtless great, but — there were no great decisions: Adenauer threw on the table another of his pre-election stunts, while Macmillan succeeded in corroborating British views with new arguments.

The Radicals and Guy Mollet

THE acute situation in France, marked by the ill effects produced by the Suez crisis on the country's economic and political life, constant crisis over Algeria, and difficulties in European integration, confronts, not only the Mollet government, but also all the political parties, with various questions, the results of the past which are direct problems of the future. Owing to this, the recent congress of the Radical Socialist Party was not important only for the Party members, since it somewhat affected the country's entire political life.

This extraordinary, fifty third congress of Mendes France's Party, which begun by criticizing the government's policy sharply, and which was to determine the attitude of the Party and its deputies in the Assembly towards the government, did not, as it was expected, lead to a crisis of Guy Mollet's cabinet. The beginning of the congress was

influenced by the split among the French Radicals. The main thing the congress was to consider was the question whether the Radical Socialists should remain in the present government which, in the opinion of many delegates to the congress, had betrayed the pre-election programme of the Republican Front, particularly with its policy in Algeria.

Uncertainty and tension characterized the gathering, divided, on the whole, in two different groups that had clashed twice in the past two years. One was the wing which is participating in the government, and which in the past was ready to participate in every government regardless of its programme, and the other rallied around Mendes France, which is more numerous, younger and more progressive, demanded that the government should implement the principles proclaimed when the coalition cabinet was formed. It came to the congress to demand the resignation of the Radical ministers from the Mollet government, which would certainly bring the government into a very difficult situation.

Mendes France criticized the government sharply, in some formulation more sharply than ever before („fascism reigns in Algeria..."), but he did not support the demand of most of the younger Radicals, members of the Paris organization, for an immediate resignation of the Radical ministers from the government. He restricted himself to putting forward conditions under which the present government could remain in office

and to expounding the principles on which the Radicals could participate in any government.

Observers are pondering over the reasons that made Mendes France take such an attitude, the attitude which was assessed as moderate both in France and abroad. Proposing an unexpected resolution, asking the Radical members of government to bring about a change in the government's policy without committing themselves to a time limit, Mendes France probably thought that a withdrawal of the Radical ministers under present conditions would cause new difficulties and disagreements within the Party and reduce its parliamentary group to an insignificant number of deputies. That would strengthen the positions of the rightists who would acquire greater possibilities of action in case the present government resigns. Undesirable regrouping in parliament and the uncertainty of the composition of a new cabinet would cause further upheavals in the political life of the Republic that the Radicals would be unable to control it, and that would be contrary to their interests.

By accepting this compromise resolution, a direct crisis of the government was avoided, and the twelve Radical ministers will not withdraw from the government for the time being. Their task is to bring about a change in the government's policy in Algeria, to re-establish republican freedoms, to prevent constant attacks on the freedom of the press.

If in the foreseeable future they do not succeed in this, the Radical Socialist Party will be forced to withdraw from the government. Judging by the discussions that took place after Mendes France's speech, it can be concluded that a certain number of Radical ministers, having failed in the efforts to expand and justify the government's policy, accepted the resolution only under the pressure of delegates from their constituencies. As for the leader of the Party, Mendes France, concerned, he said in an interview given to the paper, "Express", that he did not seek to overthrow the government but only to render it that it must finally implement the original programme if it wishes to „save its face" and meet the wishes of the electorate.

In any case, the forthcoming meeting of the French Assembly will provide a clear indication as to the attitude of the government, i.e. its leader, towards the resolution of the Radicals. In view of the speech — es Guy Mollet made in Nimes and last week and of the statements that he will continue to support Lacoste's policy of pacification in Algeria (due to which he will be in the Assembly to approve new taxes), we expect sharp debates in the Assembly. It will be upon the number of deputies who support Guy Mollet's policy and on the influence the Radical ministers are expected to exert, that the future of the government, which has been in office longer than any of its predecessors, will depend.

INTERNATIONAL MEETINGS

INTERNATIONAL COOPERATION IN THE FIELD OF SOCIAL INSURANCE

Dr. Zdenko HAS

DIRECTOR OF THE FEDERAL INSTITUTE FOR SOCIAL INSURANCE

At the session of its Administrative Council in Dubrovnik, the International Association for Social Security recorded thirty years of its existence and active endeavour for the establishment of the closest cooperation between institutions of social insurance in various countries. In this period the field of activity of this Association has greatly expanded.

The subject itself of social insurance offers wide possibilities for international cooperation, as by its nature it encourages cooperation and linking on a broad scale. The Association greatly used this possibility after the Second World War. Adopting the aims set forth in the Statute as the point of departure, the Association developed a wide activity after the war. At the eighth session in Geneva in 1947 it passed three resolutions fully adopting the modern principles of social security: in the first resolution — the general principles; in the second — the principles in the field of health protection; while the third resolution envisages cooperation with the World Health Organization. The first resolution which deals with the ensuring of means for maintenance, envisages as all-embracing organization social security also in regard to the circle of protected persons and in regard to types and forms of protection. The resolutions passed at general meetings in Rome in 1949, in Vienna in 1951, in Paris in 1953 and in Mexico in 1955, consistently

record the further observance of principles adopted at the General session in 1947. It may be freely said that these resolutions, as envisaged by the Statute — provide the bases for cooperation and for stimulating the development of social security on the international plane and technical and administrative perfecting of social security.

The above mentioned resolutions lay down:

— that the method of ensuring means for various types of social security be adapted to the conditions prevailing in different countries and to special conditions created after the Second World War — in other words the system of capital coverage is declared obsolescent;

— that it would be necessary to ensure autonomy in the management of institutions of social insurance and improve administrative techniques;

— that it would be necessary to establish such realizations between doctors and social insurance as would ensure full protection and rational utilization of means. The conclusion on the need for social-medical training of doctors is connected with this;

— that it would be necessary to develop modern methods of rehabilitation and establishment of disability;

— that measures be taken for the introduction of the system of family extras;

— that attention be devoted to measures for the establishment and development of social insurance in the economically backward and under-developed countries and areas.

It is a fact that these resolutions, conclusions and recommendations were not always followed nor could be followed by operative and efficacious measures with a view to their realization. However, it must be said that the Association made considerable efforts in this direction and passed conclusions at the meetings of its Administrative Council (formerly Executive Committee on a series of concrete measures, and carried these measures into effect. We shall deal briefly with those measures on which a report was submitted at the thirteenth session of the Administrative Council in Dubrovnik and which were considered at this session.

The Association made considerable efforts in the direction of:

— developing intensive expert cooperation and extending assistance to its membership. Characteristic in this regard is the very fruitful consultation of the statisticians and mathematicians in Brussels which was attended by 232 actuaries and statisticians from 32 countries.

— extending assistance to the establishment of and development of social insurance in the economically backward countries. With this object in view a seminar was held in Copenhagen when 26 persons from 10 countries attended the lectures while the Permanent Expert Committee for questions of the Association for extending mutual aid, drew up in August 1956 a very significant conclusion which was adopted by the Administrative Council in Dubrovnik. On this line of activity it calls for special mention that the conclusion envisages the setting up of a special fund intended for financing these actions. The programme of the tasks coming next is the participation in „the round — table” conference in Somalia which is to be held towards the end of this year in Mogadishu when the question of organization of the social insurance in countries where it does not yet exist is to be examined.

— inclusion of new institutions in the Association, which already embraces social security institutions from about two thirds of the countries in the world. The activity on the expansion of the Association was particularly significant in 1956 when twelve institutions from ten countries were admitted while the Dubrovnik session saw the admittance of another nine institutions from six countries, — of these two countries had not been members through any of their organizations — namely Poland and the Soviet Union. All this speaks eloquently about the ever greater universality of the Association.

This summary of the work of the Association does not exhaust the list of successful undertakings which are increasing from year to year.

The activity of the Yugoslav social insurance in the realization of the Association's aims is very significant and has been duly noted. Thus our representatives took part with their reports at the consultation in Bristol. On the line of mutual expert assistance and cooperativism, steps have been taken to send publications and data about our social insurance to all the member-institutions as well as to many of those which are not members of the Association.

An exchange of experts has been arranged with two countries while talks are under way with the institutions of some countries with the same object in view. Also representatives of three Middle East countries have been invited to visit Yugoslavia and get acquainted with the system and method of our social insurance.

The Dubrovnik session of the Administrative Council has fulfilled its programme successfully. It rests with the member-institutions to carry out the conclusions. Parallel with this the International Association for Social Security is making preparations for the thirteenth session of its General Meeting in London, the agenda of which includes very significant problems from the field of the sickness branch of social insurance, the old-age insurance and the latest development of the social insurance in the world. In view of its programme this session too should open new prospects for the solution of a large number of important questions which confront the institution of social insurance in the world. The Association has possibilities of rallying to its sessions experts from various countries for the purpose of exchanging experiences gained, at such humane tasks and — as Comrade Tito declared to the Presidency of the Association — to contribute substantially to the strengthening of peace in the world. Social insurance provides a suitable ground for this.

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The Question of Yugoslav National Minorities in Austria

THE just expectations that new Austria would find ways and means to settle, in a satisfactory way, the question of the rights of the Slovene and Croatian national minorities and so rectify, to some extent, the injustices of the past, have not realized. It is now two years since the Austrian State Treaty was signed, but its provisions concerning the rights of minorities have not yet been implemented by the competent Austrian authorities. Furthermore, the campaign of certain sections of the Austrian public against the rights of the Yugoslav national minorities is gaining in intensity.

The delays of the Austrian Government to fulfil its obligations under the State Treaty towards minorities and to implement Article 7 of the Treaty which determines and guarantees the rights of the Slovene and Croatian minorities, as well as the mentioned campaign, are calculated to suppress the minority rights, both territorially, i.e. to implement the provisions of Article 7 to the smallest possible area, and essentially, i.e. to grant the least possible rights to the minorities. The same purpose is to be served also by the policy of dividing the minorities, i.e. the different treatment of individual minority groups instead of treating all the minorities in the same way as it would correspond to the spirit and letter of the State Treaty.

The attacks of certain Austrian circles and the press are particularly aimed at the bilingual schools in Carinthia which are based on a decree of the Provincial Government of October 1945. This decree on bilingual schools best corresponds to the specific conditions prevailing in Carinthia, conditions created by the historical development of the province with its mixed Slovene and Austrian population. Due to this and to the political and psychological reasons, which spring from the difficult past of the Slovene minority, it would not be practicable to set up separate Slovene schools without depriving a large section of the Slovene minority of the right to learn its mother tongue, so that the rights of the minority would be considerably restricted. The Provincial Government recognized this fact when it passed its decree on bilingual schools; it did so again in January 1947 when it declared that the decree was the ideal solution, and in January 1948 the then Austrian Foreign Minister, Gruber, appraised this decree as *an example how the school system of the minorities should be regulated*. The present campaign against the decree on bilingual schools is to restrict the existing rights of the Slovene national minority in Carinthia and to bring it in a much worse situation than it was before the State Treaty was signed, and that is against the spirit of the Treaty.

Recently, the Committee for Minorities in the Provincial Government decided to ask the Assembly to pass regulations under which only those areas in which no less than 30% of the inhabitants belong to the Slovene minority would be considered as territories with a mixed population. The strength of the minority would be determined by a referendum. Bilingual schools would be abolished and Article 7 of the State Treaty applied only in areas where the Slovenes make more than 30% of the population. This request by the Committee for Minorities, which is to be considered by the Assembly, reveals the intentions of the authorities. If we take into account the mixed population and the criterion applied in censuses in determining the nationality of citizens (not in accord with their mother tongue, but on the basis of the language in use and the adherence to cultural groups), then it becomes clear that the areas in which there are bilingual schools today would after the referendum be reduced in size. These intentions become even more clearer if one takes into account the artificially invented existence of some new national groups, which is an attempt to oppose one section of the minority by another.

There is no need to provide any proofs to show that this request is in contradiction, with Austria's obligations towards the

minorities. The State Treaty determines and protects the rights of the Slovene and Croatian national minorities. The implementation and protection of these rights cannot be a matter of any referendum or some other kind of voting: it is the duty of the Austrian Government under the State Treaty which Austria voluntarily signed and accepted as its obligation.

It is noteworthy that the Austrian Government, while restricting the guaranteed rights of the Slovene and Croatian minorities, demands far greater rights for the Austrian minority in Southern Tyrol. We cannot agree with the recent statement of the State Secretary in the Austrian Foreign Ministry, *Chehnutzer*, who said that the minority problem in Carinthia cannot be compared with the South Tyrolean problem, because there are no territories in Carinthia exclusively populated by the minority as is the case with the Austrian minority in Tyrol. If the compactness of the Slovene minority in Carinthia has been broken up, that is the result of the denationalization policy to which the minority has been subjected in past.

The situation is even more serious in *Burgenland* and *Styria*, where the Croats and Slovenes have not been granted even those rights now enjoyed by the Slovenes of Carinthia. All measures the Austrian Government has undertaken in these provinces so far show that it tends to implement Article 7 of the State Treaty in such a way as to restrict the minority rights as much as possible. Here we do not think only of the putting off of the implementation of Article 7 of the Treaty, but also of the attempts to let the local authorities decide the rights of the minorities. For in this often the very existence of the minority is denied, as it was stated in relation to *Burgenland* recently by a very high official.

It must be mentioned that members of the Slovene and Croatian minorities have been fulfilling their duties as Austrian citizens and acting patiently in demanding their rights. Accordingly, they could have justly expected that the provisions of the State Treaty on minorities would be implemented fully. The Slovenes of Carinthia submitted their proposal on the realization of their rights to the Austrian government in a memorandum in October 1955, and the Croats of *Burgenland* did the same in November of that year. However, their efforts produced no results, so that they were forced to approach the ambassadors of the four great powers, the signatories of the State Treaty. But this step, which was the result of the failure of the Austrian government to fulfil its obligations under the Treaty, was counteracted by a fierce campaign of the press and certain circles which called it an "unloyal and unpatriotic act" towards Austria.

The Yugoslav public and official circles are naturally interested in the position and rights of our national minority in Austria. Therefore, it is understandable why they are worried by the measures which are being undertaken to suppress its rights. A just solution of this problem would undoubtedly contribute to the development of good relations between the peoples of Austria and Yugoslavia. It is to be hoped that in solving the problem the Austrian government will consider, both the legitimate rights of the minority, and the interests of good neighbouring relations between the two countries.

EXPANSION AND STABILITY

— ECONOMIC PROBLEMS OF WEST GERMANY —

Nenad POPOVIĆ

THE Federal Republic of Germany registered a vigorous economic expansion which was manifested in almost all fields of economic activity during the post war period. In 1949 the gross national product totalled 80 billion marks, 134 billion in 1953, and 180 billion in 1956. In other words the volume of the gross national product (calculated at current prices) rose by no less than 125.5 per cent in the 1949–1956 period. Calculated per capita the gross products increased by 87 per cent, namely 61 per cent after the appropriate price corrections are made.

The number of persons employed in West Germany rose from 13.6 million in 1949 to 18.6 million in 1956, while unemployment dropped to the minimum level. (Apart from this, it should be borne in mind that the West German unemployment statistics also cover a certain number of disabled war veterans and other invalids whose problems are being resolved by means of unemployment grants).

The volume of imports amounted to 7.8 billion marks in 1949 and 24.5 billion in 1955 (thus rising by 214 per cent). In the meantime exports increased from 4.1 billion marks to 25.7 billion (namely 518 per cent). In view of the fact that 1956 was characterised by the further dynamic development of foreign trade the level of exports that year reached about 29 billion marks and imports about 31 billion. (According to preliminary data). This means that exports continued to increase at a stronger rate than imports. In this way a 2,893 million mark surplus was accumulated in the West German foreign trade balance.

The analysis of the West German economy, the results accomplished hitherto, the present situation and future prospects, — at least for the immediate future, — wholly justifies a positive appraisal. The economy is stabilized, the vigorous and steady growth of production continues (although at a somewhat slower rate than in the previous years), the standard of living and employment levels are rising, the finances are stable (surplus balances), money is stable, trade and payments balances favourable, while substantial investments ensure the continuance of this general expansion in the future.

Apart from the favourable general conditions one of the vital preconditions for ensuring such an economic development in West Germany is the course of economic policy pursued and implemented today. Essentially this economic policy is characterized by two salient features: on the one hand an "expansive market economy", as it is termed in Germany, and the preservation and promo-

tion of economic stability on the other. In other words not the sacrifice of expansion to stability or stability to expansion, but their harmonious, in point of fact the building of stability through expansion and in expansion. Dr. Erhard and also Dr. Schaeffer are two distinguished protagonists of such a policy although the latter tends to assign priority to stability, even stability at all costs.

Consequently the West German business climate represents a dynamic phenomenon, and precisely for this reason the whole situation is not devoid of its problems. They consist in the fact that expansion has reached a point when it becomes a potential threat to the preservation of economic stability. These dangers are particularly obvious in the following sectors: rising employment levels tend to increase investments substantially, and wages tend to outrun productivity. Such different but convergent trends lead to the growth of purchasing power and home demand. Under the present conditions, these problems are further complicated by the issue of present and future armament.

In this sphere a specific favourable factor is transformed into its negation. Namely while the other West European countries were forced to bear heavy and sometimes enormous expenses for national defence during the post war period the latter were much lower in Western Germany, notwithstanding the costs of maintaining the occupying troops stationed on German territory. Even today when West German defence outlay is beginning to increase it is still comparatively lower than in other countries. Thus, for instance during 1955 in terms of the percentage of the national gross product these expenses amounted to 5.3 per cent in West Germany by comparison with 9.3 per cent in Great Britain, 7.8 per cent in France, and 6.5 per cent in Holland, having only been lower in Italy (4.7 per cent) and Belgium 4 per cent. Now such expenditure figures more prominently both for national armament (irrespective of US aid) and as the German share in the expenses of other countries. Agreement with Great Britain was reached in the beginning of March this year for example that West Germany should share the expenses of the British NATO units in West Germany with 588 million marks and deposit 75 million pound sterling in the Bank of England on behalf of its future payments in Great Britain.

Economic relations with foreign countries represent a special problem for West Germany.

This is primarily reflected in the extremely vigorous growth of her foreign trade, particularly exports. The favourable level at which the international value of the German mark has stabilized, the internal expansion of production and price stability, the absence of competitive home demand owing to the comparatively lower German production costs and high level of labour productivity (thus giving her a great competitive power on foreign markets), all this combined to give the German exports a particular dynamism. It should also be mentioned in this context that the physical structure of German production is such as to make it highly suitable for exports and that it is easily adjusted to the present foreign demand. At any rate the external stability of the West German mark reflected the stability of the German internal market. This enabled West Germany under conditions marked by a surplus trade and payments balance to raise her imports in such a manner that the German manufacturer received more foreign raw materials at relatively and also absolutely lower prices which depended on world market price trends. This contributed yet further to the reduction of production costs (or checking of their growth) thus creating an easier internal price situation on the one hand, while strengthening competitive power on the foreign markets on the other.

The export surpluses and favourable balance of payments however positive in themselves, also exerted a specific pressure on the internal stability of the German economy. At first these pressures were neutralized by the internal restrictive monetary policy. Such a policy (since 1952 especially) — although no longer capable of withstanding the pressures alone, nonetheless led to a substantial rise of interest rates. Today interest rates are higher in West Germany than in any other European country, having reached a level when they are both too high and no longer an efficient means of curbing economic expansion. Credit became increasingly expensive for long term commitments thus representing a considerable obstacle to the volume of investments. The state financial policy of creating and sterilizing the state surplus mo-

funds, constitute the second more important counter measure to the inflationary pressure of the balance of payments surplus. It was assumed that such a combination of monetary and fiscal policy could, even in the long run, constitute a bridge which would lead to a further vigorous expansion of economic activity, constitute a bridge which would lead to a certain alleviation of the restrictive monetary and credit policy. Namely if the fiscal policy had not created the counter pressure to the inflationary pressure of expanding exports, in the sterilized surpluses this would have led to a stronger movement and increase of prices, a still more restrictive monetary policy and the curbing of exports. In the long run this would mean the actual achievement and maintenance of stability at a higher level of employment and production. In other words the uniform, expanding market economy with stability tends to split into its two components, but now in an inverse proportion: expansion or stability? Should the answer be the price of the latter, or vice versa?

Needless to say this does not coincide with the fundamental conceptions of long term economic development. Therefore the West German economic policy is at present faced with something of a dilemma. As a whole 1956 was ended successfully. However last year's trends already indicate certain difficulties in future development. The balance of payments showed a 5.2 billion mark surplus. The gross national product was 12.7 per cent higher than in 1955, or 7 per cent over the necessary price corrections are made, in comparison with an 11 per cent increment in 1955. Labour productivity rose 4 per cent against 6 per cent in 1955. The share of gross investments dropped from 26.4 to 26.1 per cent (as they increased by only 8.6 per cent against 21.5 per cent in the previous year).

According to the latest data the West German economic situation during the first quarter of 1957 could be characterized in the following manner: home production is still maintained on a high level but with a somewhat slower rate of increase. Total internal demand is still high, investments being the principal factor. The producer capacities are more or less fully utilized. On the whole the market is stable, while increasing stress is being laid on the need to maintain price stability. Exports remain on a high level as well as the payments funds abroad. The gold and exchange reserves of the Central Bank reached about 19 billion marks (over 4.2 billion dollars of which 1.6 billion dollars in gold).

Under such conditions the aforementioned dilemma is still more clearly manifested. It should be borne in mind in this connection

that the dilemma does not prevail so much in the minds of those who determine the course of the economic policy. Everyone agrees that it is necessary to ensure further economic expansion provided stability is maintained. The only question is to find the ways and means of realizing this objective. Concretely there are two vital problems: internal purchasing power in relation to monetary stability, and the balance of payments surplus and its implications.

As for the former it cannot be said that prices are instable. The index of the cost of living in January 1957 was 114 against 110 in 1956 (190 = 100). Prices show a certain increase and it is a matter of opinion whether the small increment is due to insignificant movements, or is a symptom of far reaching tendencies. Contemplated as a whole prices in West Germany led to a very small depreciation of money value. By comparison with 1949 the German mark lost only 5.3 per cent of its value. Meanwhile in France this ratio is 31.8 per cent, 33.1 per cent in Norway, 29.2 per cent in Britain, 28.3 per cent in Sweden, 26.6 per cent in Denmark, 31.8 per cent, 33.1 per cent in Canada, 15 per cent in Holland, 13.2 per cent in the USA and 11.4 per cent in Belgium. It is therefore considered in West Germany that such a policy is required which will keep the factors exerting an upward pressure on prices in check. In this respect particular attention is being drawn in certain quarters to the need of curbing wage increases. This is denied on other sides which contend that economic stability should not be achieved at the expense of the workers class. Others indicate the expediency of curbing investments because they represent the principal factor of expansion and hence also instability. This is countered by the argument that the restriction of investments at present implies the reduction and narrowing of tomorrow's production basis. In this connection it is stated that it is the most important to bring about a proper ratio between savings (i.e. capital formation) and spending in favour of the former. This is particularly stressed in connection with the fact that a large part of German economic expansion was financed externally and that will henceforth be necessary to rely to a far greater extent on domestic resources (capital). It is therefore stated in financial circles that the postponement of the national defence expenditure could be of vital significance for the further creation of reserves and the maintenance of financial stability. In the study of these problems as well as in connection with the foreign markets it is necessary to call attention to the entire complex system of German agrarian protectionism. For this purpose not

only quantitative (administrative) and qualitative (Customs) measures have been adopted, but also fairly large internal subsidies and credits allotted which should in the current year alone according to the so-called "Green Plan" total 1.2 million marks (the subsidy for milk prices alone amounts to 400 million marks, i.e. almost 100 million dollars).

The effect of foreign economic relations on economic stability and the business cycle represent a major problem. The substantial outflow of exports removes the goods from the internal market and while infusing it with a corresponding volume of purchasing power. In as far as this purchasing power is sterilized in the monetary aspect, then only the effect of the outflow of goods remains. However, the problem lies in the fact that purchasing power strives towards immediate activation especially by way of investments. Owing to the ratio of production costs, prices and the competitive power of German goods on the world market (and also owing to the favourable export structure) no large scale reduction is likely. Various manipulations are likewise rejected such as export taxes for instance, or the creation of a special system of equalization funds. It is most likely that a solution will be sought in the far greater expansion of imports, thus reducing the balance of payments surplus with its inflationary effects, while leading on the other hand to an inflow of goods from the foreign market and facilitating the situation of supply and demand on the home market. Hence the road does not lie in the reduction of exports but in the increase of imports. Therefore the so-called Erhard plan of price stabilization provides also for a sizeable reduction (30-40 per cent) of the existing customs, the implementation of other measures aiming at the increase of exports, and especially the liberalization of imports (primarily from the dollar countries). The recently signed agreements on a common dollar market will certainly not facilitate such German tendencies and the entire process of adjustment will be far from simple.

The economy of West Germany is an important and influential factor not only in the economy of West Europe but also on the world market. It is therefore not in the least immaterial what measures West Germany will undertake, and in what way they will affect the other economies and the world market. Every contribution in this process will have a favourable effect on the world market, while promoting and strengthening similar tendencies in other economies thus also benefiting the Western economy, in the long run fostering international economic cooperation and strengthening the material basis of world peace.

THE PRESIDENTIAL ELECTIONS IN AUSTRIA

THE Austrian voters chose their President for the next six years by universal, secret and obligatory ballot on Sunday. The uncertainty which prevailed as regards the outcome of the elections was resolved in favour of the left. The chairman of the Socialist Party whose candidacy was also supported by the Communists, Dr. Adolf Schaerf won by a majority of about a 100,000 votes over his opponent Professor Dr. Wolfgang Denk the candidate of the National Party.

The tradition that the Austrian President is elected from the ranks of the socialists is thus strengthened. Dr Schaerf's predecessors Renner and Koerner belonged to the same Party. However there are certain differences of political complexion between them and Dr Schaerf, as neither Renner nor Koerner represented the leadership of the Socialist Party to such an extent as Dr Schaerf.

To the voters the presidential candidates were two entirely different personalities. The leader of the Socialist Party Dr Schaerf enjoyed a reputation as a jurist, statesman, political publicist and long standing Party worker, while Dr Denk was a well-known surgeon, a scientist with conservative social and political ideas, without any party function and even devoid of any marked party affiliation. The different candidacies reflected the different conceptions of the role and significance of the President of the Republic in the contemporary Austrian state and political system, as well as different election tactics.

The Socialists and the left — wing forces of Austria in general, stress that the role of President is not devoid of practical significance as there are a series of genuine possibilities in the political life of the country to strive towards the protection of state interests and citizen rights. According to the Constitution, the President of the Republic is the Supreme Commander of the Armed Forces, he gives and revokes the mandate of the Prime Minister, and is invested with many judicial and other, sometimes representative and sometimes active political powers. It is therefore imperative, in the Socialist opinion, that this function be discharged by so politically an experienced and authoritative person as Dr. Schaerf.

The National Party in which clerical influence is very strong, almost predominant, together with the so-called "Freedom Party" (known as liberals but not entirely free of pro-nazi elements) considers that the function of President should not be actively political, but only representative, that 'the President should not be subjected to the apparatus of any political party whatever. Such an objective, supra-party figure was found, — according to the criteria of the Austrian bourgeois right-wing, — in Professor Denk the well known physician.

Nonetheless, the essence of the election slogans of the left wing and right wing did not consist only in these diverse conceptions of the role of President. It may even be said that these conceptions were largely dictated by definite electoral calculations. The emphasis of these different views concerning the function of President was only part of the party and political expectations with which the two strongest parties, — the Socialist and National, — embarked in this political battle.

It was important for the already traditional coalition between the National and Socialist parties that the function of Prime Minister be held by the leader of the National Party and that the Vice Chancellor and President of the Republic belong to the Socialist Party. This coalition is still maintained. However after its success at the parliamentary elections last May, the leadership of the National Party believed that it could increase its share in the government of the country by taking the post of President from the Socialists. Formally backing a non-party but essentially kindred candidate, the National Party counted not only on the votes of its followers, but also on the votes of the tens of thousands of non-determined voters.

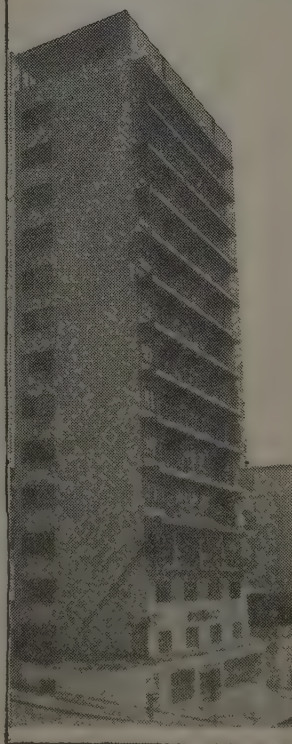
However the conception that the President of the Republic "must not wear party spectacles" was defeated at these elections.

It is interesting that the Socialist candidate received almost 100,000 votes more than at the presidential elections in 1951 when another Socialist, President Koerner was elected. The estimates of the National Party that the right — wing electorate is increasing at the expense of the left wing proved mistaken, although last years parliamentary elections may have warranted such an appraisal to a certain extent.

It cannot be said precisely what is the actual share of Communist votes in the increased voting power of the left wing. However, according to the data already known concerning the number of members and the parliamentary elections it is possible to give at least an approximate estimate that the appeal of the Communist Party in favour of President Schaerf was followed by slightly over 200,000 voters. This is not a large number, but nevertheless it played an important if not decisive role in the final result. Although waiving collaboration with the Communists, and even receiving their support at the elections with reserve Dr. Schaerf was a far more suitable choice for the Austrian Communists than the candidate of the National Party and the extreme right-wing "Liberal Party".

The equilibrium in the political life and ruling coalition of the National and Socialist parties in Austria remains more or less unchanged after these elections.

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Yugoslav Tourism Past and Present

Marjan BRECELJ
STATE SECRETARY FOR TRADE

IN the postwar period Yugoslavia through its general and, in particular through its economic policy, endeavoured to help the promotion of tourism, both domestic and foreign. Domestic tourism in our social conditions constitutes a problem which should be settled from two aspects: from the aspect of recreating manpower and health generally, consolidating the unity of the Yugoslav peoples and raising the general cultural level of the broadest sections of the population, and from the economic aspect — the development of big and small towns, as well as the advance of many of the mountain and littoral regions of the country.

As a component part of the improvement of the working people's living standard, domestic tourism has undoubtedly played a positive role in the postwar period, although its material basis is still rather restricted. The losses which Yugoslavia suffered in the course of World War II and the sacrifices it had to make while fighting economic backwardness in the period immediately following the war, will probably be felt for the longest time on those very economic sectors (hotel industry, maritime, railway, air and road transport, development of the consumer goods industry and commerce) which are closely linked up with the development of tourism. We must, in this connection, point out to the fact that broad social initiative in this sphere contributed to a speedier and better development, and prompted economic forces to action, thus enabling a comparatively favourable development in areas which otherwise are as yet considerably under-developed. The several hundred tourist organizations which have undertaken the task of developing tourism, the growing activity of the Tourist Federations in the Republics and the Tourist Federations of Yugoslavia, have from year to year been offering ever better opportunities for annual vacations and weekly rest-days. In 1955, for example, there were 2.5 times more domestic tourists than before the war, their number reaching almost three millions. Reductions in transport fares, material assistance to social organizations in investments, the exemption of their hostels, rest homes, etc, from all dues, different facilities granted to the catering enterprises, and so forth, have made possible a comparatively rapid development of tourism.

We are now entering 1957 with better material conditions for domestic tourism, in the first place with a better organization and with timely preparations for this year's season. The attention devoted by many social organizations to the promotion of tourism — trade unions, holiday, mountaineering, scout, physical-culture and sports organizations (the community has this year granted them six hundred million dinars for the third time already) — has yielded concrete results and we can expect the hostels and camps of these organizations to have sleeping accommodation for over thirty thousand persons, making it thus possible for workers and employees to enjoy a comparatively inexpensive holiday this year. Accommodation for further thirty thousand persons which is at the disposal of different state and social institutions will provide holiday facilities for children and young people. Premiums granted to the catering enterprises before and after the season, and in the course of the season itself, make it possible for

smaller tourist resorts primarily, to offer board and lodgings at cheaper prices, so that this year there are greater opportunities for the use of those tourist capacities which were not exploited so far. Sleeping accommodation for several more thousand persons will no doubt be provided by hotels, boarding-houses, camps, excursion resorts as well as private houses which rent rooms to tourists.

The natural conditions in Yugoslavia and its role in international relations afford possibilities for a development of foreign tourist traffic on a large-scale. International tourism in Yugoslavia's policy constitutes a means of international cooperation and a contribution to the idea of coexistence and peace in the world, as well as a significant factor in economic connections with other countries. That is why our economic policy, within the limits of given possibilities, has insisted on the greatest possible improvement of a material basis for the quicker and more extensive development of foreign tourism in Yugoslavia.

This is no easy task. During the war, Yugoslavia lost over 40 per cent of its hotel capacity, more than two thirds of its passenger ships; great damage was wrought upon railway transport, while there was hardly any air transport at all before the war, not to enumerate the damage inflicted upon other sectors which also rendered the development of tourism difficult. But the results accomplished in Yugoslavia's post-war development are likewise felt which may be seen from the fact that in 1955 we had about 500 thousand foreign tourists in Yugoslavia, thus exceeding the highest pre-war figure of visitors from abroad. Belgrade and the capitals of the Yugoslav republics as well as twenty of the more important tourist resorts today have a hotel capacity for twenty thousand persons. After the war we compensated the loss of thirty ships and through a better organization had a three times bigger passenger transport than in 1939. Thus, for example, the new modern vessel "Jugoslavija" which can take 1,200 passengers on board and which is already in traffic, as well as two ships of the same type "Jedinstvo" and "Jadran", now under construction, will render the Adriatic coast more accessible, which in Yugoslav tourism no doubt presents the greatest attraction. The improvement of air transport by "Convair" and "Ilushin" planes and 3,500 kilometres of modernized roads likewise constituted a powerful contribution to the development of tourism in the last few years.

When bearing in mind, on the one hand, the natural conditions and the growing interest of the European and overseas countries for tourism in Yugoslavia, and, on the other hand, the existing material possibilities, we shall have to conclude that our capacity to accommodate foreign and domestic tourists is still insufficient and that the material basis required for tourism is still too narrow. However, the level of economic development attained so far has made it possible to approach the matter of promoting the material conditions for the development of tourism more realistically, namely to set more funds aside for this purpose. In accordance with this, tourism now figures as a separate section of our perspective plan and is treated as one of the indispensable forms for the strengthening of international relations. Tourism likewise plays an important role in Yugoslavia's payments account.

The present year, 1957, undoubtedly marks an advance in tourism, in regard both to a better and more acceptable organization for the visit of foreign tourists to our country. On the grounds of our own experiences, of cooperation with international tourist organizations and guided by the experiences of the neighbouring classical tourist countries (Austria, Italy, Greece, etc) the organization of tourist propaganda and hotel services has been improved, as well as that of travelling offices in the country, and closer cooperation has been established between them and other foreign tourist companies, which has contributed to more organized visits to Yugoslavia. The reduction of taxes on visas by fifty per cent, the doubling of the amount of dinars which foreign tourists may bring into Yugoslavia, the premium of 33 per cent over the official rate of exchange for foreign currencies granted to tourists from abroad, easier procedure for foreign motor vehicles when entering Yugoslavia, customs facilities, etc. — all signify a step forward in the liberalization of foreign tourism in Yugoslavia. Apart from this, certain economic measures in regard to the business of catering enterprises enable competitive prices in Yugoslav summer resorts, mountain and littoral alike, as well as in the numerous spas. Bearing in mind the increasing development of automobile tourism, Yugoslavia is working towards a further modernization of transport, especially road transport. The building and modernization of a number of roads, such as the Adriatic highway, the main motor-road Ljubljana — Zagreb — Belgrade — Kragujevac — Niš — Skopje — Djevdjelija, as well as roads linking up these highways, create the essential pre-conditions for bigger tourist automobile traffic. Yugoslavia is similarly endeavouring to build, expand and modernize airports in the country which will be able to meet the demands of world air transport and which will also render the Adriatic coast, and primarily Dubrovnik and the Montengrin littoral, more accessible.

In comparison with the pre-war national structure of foreign visitors, the number of tourist from all European countries, including America, has increased. In the years preceding World War II, 36 per cent of all foreign tourists came from the East European countries, while about 33 per cent came from Austria and Germany. Now, besides the many tourists from Germany and Austria, the participation of Bri-

tain, France, the Benelux countries and Scandinavia is becoming ever more significant. In 1956, tourist traffic was re-established with the East European countries and with America, and closer connections established with the official and commercial organizations of those countries. Yugoslavia has through its Tourist Federation, set up seven representations which perform information publicity service for Western and North European countries, as well as a representation for America.

Yugoslavia has been a member of the International Tourist Union since its foundation, which organization is a statutory institution of the United Nations. Cooperating in the different organizations of this Union, Yugoslavia had the opportunity of raising the question of international cooperation in the sphere of tourism, in particular, cooperation under the guise of economic assistance to the under-developed countries. The European Tourist Commission, as an organ of the Union, plans to prepare the tourist industry and other economic branches related to tourism for the biggest possible inter-continental exchange of tourists. This primarily involves the preparedness of the European countries to absorb the flow of American tourists who are visiting Europe in growing number. An action is now in course for international assistance in the form of credits or in some other way for a speedier construction of the necessary hotel capacities and transport facilities, in the first place of a road network in those parts of Europe which as yet are not fit to meet the requirements of more extensive road transport. Yugoslavia, together with the Great Britain and Greece, is working in an inner commission on the drawing up of these plans. A European circular road running from Rome — Trieste — Ljubljana — Zagreb — Belgrade — Patras — Bari — Naples and back to Rome is being planned, which will enable a far bigger tourist traffic than so far.

As may be seen from the data set out, the aim of Yugoslavia's policy in general, and its economic policy in particular, is an ever greater inclusion of tourism in general economic plans, and moreover of tourism as a general social function in the efforts made to improve the living standard of the working people in Yugoslavia, and of tourism as an instrument of international political, cultural and economic cooperation. A step forward to this end has been made in 1957, which, we hope, will also be confirmed by the coming season.

DOCUMENTS

Yugoslavia's Foreign Relations

(LAST PART)

In relations with the People's Republic of China last year, the mutual contacts based on common aspirations for safeguarding peace and ensuring international cooperation on the principles of equality and reciprocal respect, were greatly expanded. Today one could not deny that the active participation of the People's Republic of China in international cooperation is a significant factor of peaceful and constructive settlement of disputed questions in the world, in Asia in particular. It is then all the more deplorable that the People's Republic of China has not yet been recognized the right to be

represented in the United Nations. The Yugoslav Government has supported and will continue to support all measures for eliminating these anomalies in international relations. Yugoslavia is carefully following the positive endeavours of the People's Republic of China to see that disputed questions in the world, especially in the Far East, be solved in a peaceful manner.

In a series of declarations which the Yugoslav Government signed with the governments and leading statesmen of various friendly countries in the course of last year, China received support in the ensur-

ance of her rights both in regard to the representation in UNO and on the question of Formosa.

The past development of Yugoslav-Chinese relations shows that their cooperation has wide possibilities and that it is beneficial for the peoples of both countries in their efforts to ensure a stable peace and equal international cooperation.

Such relations between the Federal People's Republic of Yugoslavia and the People's Republic of China has also been confirmed by the lively exchange of delegations. The People's Republic of China was visited by

our agricultural cooperative delegation, a delegation of the Central Committee of the League of Communists of Yugoslavia to the Eighth Congress of the Communist Party of China, a delegation of the Yugoslav People's Army, delegation of the Women's Societies Federation, delegation of the People's Youth of Yugoslavia, by writers, artists, sportsmen and others. Everywhere in China our nationals met with a cordial reception. On the Chinese side Yugoslavia was visited last year by delegations of the All Chinese Democratic Federation of Women, the economic delegation, the delegation of the National Liberation Army of China, of the New Democratic Youth League, the Chinese artists, writers, sportsmen and others. At the beginning of the summer an exhibition of Chinese Applied Arts was opened in Beograd and was on view later in many Yugoslav cities. The exhibition met with a wide appreciation. The Chinese Government made a gift of this exhibition to the Yugoslav peoples.

As regards economic cooperation, February 1956 saw, for the first time in the history of the two countries, the establishment of direct economic and trade relations with the conclusion of an agreement on scientific and technical cooperation. As both sides had a poor acquaintance with economic possibilities of the other country, as well as in view of the remoteness of the markets and other objective difficulties, the envisaged exchanges amounted to 4.2 billion dinars in both directions. In the course of implementation it turned out that there existed much greater possibilities on both sides. Toward the end of last year regular trade negotiations were opened in Peking for the next year and a Protocol was signed on January 4, 1957. This Protocol on goods exchanges foresees an exchange of 6 billion dinars worth of goods both ways, which constitutes an increase of about 40 per cent over the figures of last year's agreement.

In February 1956 an Agreement was signed between the two countries on the postal and tele-communication traffic. In April 1956 Yugoslav film enterprises concluded an agreement with the Chinese representatives on the exchange and purchase of films.

PEOPLE'S REPUBLIC OF MONGOLIA

As a result of negotiations conducted with a view to developing relations between countries in the interests of the strengthening of peace, the Yugoslav Government and the Government of the People's Republic of Mongolia decided to establish diplomatic relations and effect an exchange of representatives. By the Communiqué of November 20 1956 relations have been established with the Mongolian People's Republic and it is to be expected that a corresponding accrediting of diplomatic representatives will be effected in the near future.

PAKISTAN

Yugoslavia's relations with Pakistan are developing normally and in the spirit of a mutual wish for their expansion. The stay of the leader of the opposition and present Prime Minister of Pakistan Hussein S. Suhrawardy in Yugoslavia in the spring of 1956 and his talks with members of the Government presented an occasion for a useful exchange of views. Veljko Zeković, mem-

ber of the Federal Executive Council, attended on behalf of the Yugoslav Government the formal proclamation of the Republic in Karachi.

Our economic relations with Pakistan are developing successfully so that, today, Pakistan is for us an important market in the Asian area. The value of our exports in 1956 reached the figure of nearly 200 million dinars which greatly exceeds the value of exports in the corresponding period in previous years.

THAILAND

Yugoslavia and the Kingdom of Thailand are maintaining normal diplomatic relations.

In the course of 1956 closer contacts took place between Yugoslav and Thai economic representatives. In March our economic delegation visited Thailand where it conducted talks on the further development of trade and economic cooperation. In May, our country was visited by the Minister of Economy of Thailand Siri Siriyadhiu. These visits contributed to a better acquainting with the economic possibilities of the two countries which have been but inadequately exploited in the past.

RELATIONS WITH AFRICAN COUNTRIES

The setting up of independent states in the areas of former colonial or protectorate possessions in Africa constitutes the chief characteristic of the political development on that continent. After the case of Sudan and Libya — now, Tunisia and Morocco, after a prolonged struggle for independence, severed, in agreement with the French Government their agreements on protectorates and set up their own independent states within the framework of a system of common inter-state relations with France. In other parts of Africa too the popular movement for independence is developing. The new state of Ghana is being formed on the territory of the former British colony of the Gold Coast and the trusteeship territory of Togo under the British administration. After winning independence, these peoples will have to exert all their efforts to organize their state, to raise it economically and strengthen its independence.

The Yugoslav Government greeted the appearance of these new independent states in Africa and is ready to help further their independent development.

In Northern Africa the question of Algeria is still outstanding. The people of this country are waging the struggle for self-determination. The Yugoslav Government considers that efforts to deny this right to the Algerian people, are unjustified. Its wish is that a way be found for agreement with the Algerian people as it was done in the case of Tunisia and Morocco — an agreement which would satisfy the justified interests of France and the rights of the Algerian people.

ETHIOPIA

Last year again the relations between Yugoslavia and Ethiopia developed in the spirit of friendship and all-round cooperation. Such useful cooperation is the result of good will, understanding and efforts made by the Yugoslavs and Ethiopians in that direction. Our country extended aid to Ethiopia in 1956,

through various forms of cooperation, with a view to helping its general development. This cooperation found special expression in economic and technical aid, in the first place in the sending of a large number of economic and other experts to Ethiopia. The Ethiopian Government values our aid and considers it very useful.

The past development of our mutual relations shows that all conditions exist for an expansion and deepening of ties particularly in the economic field. Yugoslavia will continue to work for the development of Yugoslav-Ethiopian cooperation and help Ethiopia in her further development within the bounds of her possibilities.

UNION OF SOUTH AFRICA

Through its Consul General in Capetown, Yugoslavia maintained consular relations with the Union of South Africa.

LIBYA, MOROCCO, TUNISIA

With these countries, whose acquisition of independence was greeted in Yugoslavia, the Government is establishing regular diplomatic relations on the principle of equal international cooperation.

In 1955 the Government established diplomatic relations with Libya where the Yugoslav Ambassador in Egypt is accredited in the capacity of Envoy Extraordinary and Minister Plenipotentiary.

The Government appointed its Ambassador in Paris as its Envoy Extraordinary and Minister Plenipotentiary in Tunisia.

The establishment of diplomatic relations with Morocco is under way.

SUDAN

On January 1st 1956 the Sudan proclaimed its independence. On the same day, our country recognized the sovereignty of the Republic of Sudan — it was one of the first countries to do so. In February, diplomatic relations between the two countries were established, and the beginning of September saw the opening of the Yugoslav Legation in Khartum with a permanent Chargé d'Affaires in charge of it.

Cooperation with the Sudan is at present evolving chiefly on the economic plane. The Vice-Premier of Sudan and Minister of Agriculture and Irrigation Marghni Hamzah visited Yugoslavia early in October on the invitation of Vice-president of the Federal Executive Council Svetozar Vukmanović. In keeping with the deepening of cooperation between the two countries, views were exchanged on the possibilities of further economic cooperation between the two countries.

The Yugoslav Government expects that after the establishment of diplomatic relations and opening of the representation in Khartum, our relations with the Sudan will be intensified and expanded as conditions exist, and wishes to that end have been expressed on both sides.

AUSTRALIA AND NEW ZEALAND

With these two countries Yugoslavia maintained normal relations along with some trade exchanges. In both countries there exist Yugoslav representations on consulate level.

CHRONOLOGY OF EVENTS

- May 1 May Day solemnly celebrated throughout the country. The official Parade in Beograd was attended by the President of the Republic Josip Broz Tito.
- May 3 The Lebanese military delegation which arrived in Yugoslavia as a guest of the Yugoslav Peoples Army left Beograd.
- May 4 A Statute on Yugoslav-Hungarian technical cooperation was signed in the State Secretariat for Foreign Affairs.
- May 6 The Council of the International Association for Social Security convened at its XIII Session in Dubrovnik. This meeting is attended by the delegates from 22 European, Asian and African countries.
- May 6 The Secretary of the Executive Committee of the Central Committee of the Yugoslav Communist League Aleksandar Ranković received Mario Alicata member of the Directorate of the Italian Communist Party who arrived in Yugoslavia as a guest of the Institute for the Study of the Workers Movement.
- May 7 A group consisting of 35 members of the National Defence College of Canada arrived in Beograd.
- May 8 The UN High Commissioner for refugees Lindt arrived in Beograd.
- May 8 The President of the Republic Josip Broz Tito received the representatives of the Polish Veterans Organization who arrived on a visit to the Yugoslav Veterans Federation.
- May 14 In an interview granted to the British newspaper „Daily Herald“, President Tito stressed that the broadest possible international cooperation based on the principles of independence, equal rights and non-interference in the internal affairs of other countries constitutes the sole alternative to armed conflict in the world.

DIPLOMATIC NOTES

- May 5 The Sultan of Morocco Sidi Mohammed V received the Yugoslav Ambassador to France Dr Aleš Bebler in Rabat.
- May 7 The Yugoslav Ambassador to London Ivo Vejvoda visited the Chief of the US delegation to the UN Sub-committee on disarmament Harold Stassen with whom he discussed the present phase of disarmament talks.
- May 7 The new British Ambassador John Nicholls paid a courtesy call on Foreign Secretary Koča Popović.
- May 8 The Yugoslav Ambassador to Austria Dr. Radivoje Uvalić visited Austrian Foreign Minister Figl.
- May 9 The Yugoslav permanent representative to the UN Jože Brilej arrived in Beograd.
- May 9 The Czechoslovak Ambassador in Beograd Pithart gave a reception in honour of the Czechoslovak National Holi-

day which was attended by many prominent Yugoslav personalities.

May 10 The President of the Republic Josip Broz Tito received the former Envoy Extraordinary and Minister Plenipotentiary of Japan Mr Hirose on a farewell visit. On this occasion, President Tito conferred the Order of the Yugoslav Flag on the Japanese Envoy.

May 10 President Tito received the British Ambassador John Nicholls who presented his credentials.

May 13 President Tito received the permanent Yugoslav delegate to the UN Dr. Joža Brilej, and the Yugoslav Ambassador to Egypt, Hungary and Greece Josip Djerđa, Jovo Kapičić and Miso Pavičević.

May 14 The Yugoslav Ambassador to Brazil Radoš Jovanović returned to Beograd where he will soon assume a new post.

Our New Contributors

Dr MARIJAN BRECELJ, State Secretary of Trade, deputy to the Federal Peoples Assembly, jurist. After the Liberation Dr Brecelj was elected deputy to the Interim Assembly of Federal Democratic Yugoslavia, and was since then elected continuously to the Peoples Assembly of Slovenia and the Federal Peoples Assembly. From 1945 to 1956 when he assumed his present post, Dr Brecelj was a member and Vice President of the Executive Council of Slovenia. He is a member of the Central Committee of the Communist League of Slovenia. In the social organizations apart from being a member of the Central Committee of the Yugoslav Socialist Alliance of Working People, Dr Brecelj is also Chairman of the Tourist Federation of Yugoslavia. He is also an active publicist.

Dr ZDENKO HAS, director of the Federal Social Insurance Office. Immediately after the Liberation Dr Has continued his journalistic career and held the post of editor in chief of the Trade Union organ "Rad". He was subsequently appointed director of Jugoslovenska Knjiga, and held many posts in the Federal economic organs, — director of the Labour Directorate, Assistant Minister of Labour, Assistant Director of Public Health and Social Policy, Secretary in the Secretariat for Social Welfare and Public Health of the Federal Executive Council. He is also a publicist.

NENAD POPOVIĆ, assistant president of the Committee for Foreign Trade. After the liberation of the country he performed the function of director of the Reparation Institute of the Federal People's Republic of Yugoslavia, and Vice-president of the Planning Commission of the People's Republic of Serbia; from 1950 till 1952 Executive Director of the International Monetary Fund in Washington. Later he was appointed Vice-governor of the National Bank of Yugoslavia and Plenipotentiary Minister in the State Secretariat for Foreign Affairs. He is also a publicist.

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